



Signed and Filed: February 6, 2020

*Dennis Montali*

DENNIS MONTALI  
U.S. Bankruptcy Judge

UNITED STATES BANKRUPTCY COURT  
NORTHERN DISTRICT OF CALIFORNIA

In re: ) Bankruptcy Case  
PG&E CORPORATION, ) No. 19-30088-DM  
- and - ) Chapter 11  
PACIFIC GAS AND ELECTRIC COMPANY, ) Jointly Administered  
Debtors. ) Date: February 4, 2020  
Time: 10:00 AM  
Place: Courtroom 17  
450 Golden Gate Ave.  
16th Floor  
San Francisco, CA  
☐ Affects PG&E Corporation  
☐ Affects Pacific Gas and  
Electric Company  
☒ Affects both Debtors  
*\* All papers shall be filed in  
the Lead Case, No. 19-30088 (DM).*

**INTERLOCUTORY ORDER REGARDING POSTPETITION INTEREST**

On December 30, 2019, the court issued a Memorandum Decision Regarding Postpetition Interest (Dkt. No. 5226). For reasons stated on p. 17 of the memorandum, the court deferred issuing an appealable order at that time. Since then, the disputed and somewhat related issue described by all parties as the Make-Whole issue has been tentatively resolved without a decision by the court. For that reason, the court believes an

1 order on the postpetition interest issue is appropriate at this  
2 time.

3 Parties adverse to the Debtors on the postpetition interest  
4 issue have disagreed on what the court should do now. One  
5 group, the Ad Hoc Committee of Holders of Trade Claims, wants a  
6 certification that the court's decision and ensuing order is  
7 final under Fed. R. Civ. P. 54(b), incorporated via Fed. R.  
8 Bank. P 7054 and a direct certification of such an order or an  
9 interlocutory order to the court of appeals under 28 U.S.C. §  
10 158(d)(2). The other group, the Ad Hoc Committee of Senior  
11 Unsecured Noteholders, wants the court to defer any action until  
12 it confirms Debtors' Plan of Reorganization under 11 U.S.C §  
13 1141, thus making the underlying decision on postpetition  
14 interest final for all purposes.

15 The court has considered the arguments of both sides, and  
16 the somewhat neutral position of the Debtors at a hearing on  
17 February 4, 2020. Under the circumstances, the court decides  
18 not to adopt either sides' position and to leave the question of  
19 dealing with an interlocutory order for another court if there  
20 is an appeal.

21 Accordingly, and as an interlocutory order, the court  
22 concludes that the Debtors are correct, that *In re Cardelucci*,  
23 285 F.3d 1231 (9th Cir. 2002) controls and that the  
24 Federal Interest Rate applies to the postpetition treatment of  
25 unsecured creditors under any Chapter 11 Plan of Reorganization  
26 proposed by Debtors.

27 **\*\*END OF INTERLOCUTORY ORDER\*\***  
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